

**Submission  
No 581**

## **INQUIRY INTO COAL SEAM GAS**

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The Director  
General Purpose Standing committee No 5  
Parliament House  
Macquarie St  
SYDNEY NSW 2000

RE: INQUIRY INTO COAL SEAM GAS

Thank you for the opportunity to state my concerns about the proposed and rapid expansion of the Coal Seam Gas Industry.

I am very concerned that the Terms of Reference for the Inquiry are subject to information that is not yet available for public consideration. Namely the finalization of the NSW State Government's Strategic Land Use Policy and the NSW Government's Planning System Review. Reference – Point 4 Terms of Reference.

#### **NSW Govt Strategic Land Use Policy**

The Government has stated that a new approach will be undertaken for the proposed expansion of the coal seam gas industry. One example for consideration –

*“Ahead of the granting of an Exploration Licence, Strategic land use planning is the process that will be used for identifying and defining land use priorities for different areas of land within a region. It will provide the community with certainty about how a region can be expected to change over time, and provide a clear indication of what type of development will be suitable in different areas. The process will identify the best places for agriculture, mining, coal seam gas extraction, viticulture, thoroughbred breeding, conservation, urban development and all other types of land uses in regional areas”.*  
*(The NSW Liberals and Nationals Strategic Land Use Policy)*

I understand the Policy has not been formalized. It is my understanding that it will not be for another two years. It is therefore little wonder that CSG exploration licences and proposals seem to be popping up at an unprecedented rate.

In my own backyard, Pangaea Resources is presently in the Myall area approaching individual landowners. This situation was brought to my attention by a recently formed Community Action Group's printed leaflet left at the local coffee shop. I have subsequently checked out the company on the web and have noted the extent of their exploration licence, and that an aerial geophysical survey commenced in Sept 2010. The Company has stated that local landholders would be kept informed by local area advertising – but I didn't see any, nor did anyone I know in the area. I am aware of what's happening in other local areas (Gloucester, Upper Hunter) but was shocked to learn Buladelah was also being targeted. Further, Pangaea's website does not shy

away from the fact that the landowner is considered second fiddle to their development plans – *“Before commencing drilling Pangaea seeks agreement with local landholders on the least disruptive way exploration can occur”*.

**Basically, not only the exploration company but the community needs access to and input into strategic land use planning issues and information that profile clear and sustainable economic, social and environmental priorities for any given area. This needs to occur before any CSG proposals are endorsed.** As we've seen throughout the Hunter, it's the local communities and Councils that will bear the initial as well as long term impacts and costs associated with fossil fuel extraction industries.

This is especially important in our neck of the woods – where tourism and agriculture primarily rely upon the integrity of the natural environment and the predominantly rural character of the area.

**Further – I feel very strongly that protocols and services should be established to advise landowners of their rights when dealing with an exploration company and that provision of a free service of independent, qualified legal representation is made available to the landowner by the State Government when landowners are approached by Company representatives.**

#### **NSW Govt Planning System Review** (Information sourced from Govt web page)

The time line for this review is basically the same as for this Inquiry. Community consultation for the Planning Review is presently underway.

Comments listed below from specifically targeted interviews already held by the Review Panel indicate the need for a baseline of understanding in and of the Planning System that is required by all parties in order to fairly assess the CSG Industry.

#### NSW Minerals Council – (relates to pt 2 Terms of Reference)

- Need for single integrated assessment process
- Inconsistency between strategic planning and development approvals has lead to community confusion and uncertainty

#### Farmers Federation – (relates to Pt1 and Pt 2 Terms of Reference)

- Support positive protection of agricultural land
- Need for creation of agricultural lands strategy

#### Craig Knowles – (relates to Pt 2 Terms of Reference)

- Need for Govt to plan for the strategic allocation of resources, services and infrastructure with consideration given to desired economic, environmental and social outcomes
- Need to determine whether the new Act is about development control and assessment or is it about the strategic allocation of resources
- There has been a repeated failure to integrate land use planning and transport planning – critical need for better coordination

- Development should be assessed against the principles of economic benefits, social inclusion and protection of the environment

Environment Interest Groups – (relates Pt 1 and Pt 3 Terms of Reference)

- Need for balance in a strategic context not just on a site specific basis
- Need to address challenges such as climate change seriously and meet these challenges at all levels of planning
- Need to achieve ecologically sustainable development through high quality and robust strategic planning
- If strategic plans are too flexible, they mean nothing –environment resources are finite
- Need for better implementation of strategic planning at local level eg implementation of catchment action plans that are prepared by Catchment Management Authorities
- Offsets don't address the fact that harm to the environment could be avoided entirely in certain circumstances
- Concurrences and integrated approvals must rely on evidence-based decision making weighted against environmental, economic and social costs. This requires government agencies to have high levels of expertise
- Key to improving efficiency is access to high quality data
- Merits review should be available on a symmetrical basis ie if the proponent has merits review appeal rights so should the community

Natural Resources Commission – (relates to Pt 2 Terms of Reference)

- Generally assessment at a site by site basis through EIS is an inefficient way to deal with monitoring and reporting
- Need for more information to be captured at the strategic and regional level
- Water quality is assessed by functionality and sustainability as well as both assimilative capacity and the 'maintain or improve' test depending on the ecological system in question
- System must assess the tension between point sources of pollution and diffuse points of pollution and the transport of contaminants within that system
- Need for statutory planning at the regional level
- The quality of the strategic planning will be a result of effective engagement with the community

John Mant – (relates to Pt 2 Terms of Reference)

- Create a strategic plan for the state and include in the development control legislation what the Minister must do to justify the contents of controls, including details of consultation and process
- Strategic planning should include a focus on a place-based system that identifies what is desirable for particular localities
- Development controls should relate to each place and contain objectives in the form of a desired future character statement which govern the controls for each place

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National Trust – (relates to Pt 2 Terms of Reference)

- Developers only strive to achieve the minimum standards for development
- Need to better incorporate Aboriginal Heritage in planning or heritage system, consistent with international legislation
- Concept of the creation of *future heritage* – heritage is ongoing. Today's development is tomorrow's heritage.
- Consider the reintroduction of a "*regional significance*" listing

**Conclusion –**

The challenges presented by the safe extraction of coal seam gas – for eg technological, infrastructure, expertise, environmental – are such that a moratorium on exploration licences should be enforced until

- The sustainability – or otherwise – of the industry is established
- The industry is proved to be safe
- The industry does not unfairly compete with (local) sustainable industries
- The industry is made subject to the most recent and relevant legislations – including those presently under review

Finally, it is imperative in this day and age, that the State Government carries out an independent and full scoped cost benefit analysis of alternative energy options in order to realistically and transparently move towards a 'low carbon' economy. Only when this initiative is undertaken will the community be assured that the coal seam gas industry is not being given priority treatment.

The community is aware that the burning of fossil fuels, including gas, is the major contributing factor of climate change.

Yours faithfully,

Megan Benson.